

## Q: What is HomeOpeners<sup>®\*</sup>?

A: HomeOpeners is a mortgage protection program that provides involuntary unemployment insurance underwritten by Virginia Surety Company, Inc. Coverage is provided in the first sixty (60) months of the mortgage term. This insurance can help make the borrower's monthly mortgage payment (principal, interest, taxes and insurance) capped at \$2,500 per payment for up to six months.

## Q: Why is CalHFA introducing HomeOpeners?

A: To keep homeowners in their homes in the event of involuntary job loss.

### Q: Who qualifies for HomeOpeners from CalHFA?

A: HomeOpeners comes standard on all CalHFA conventional loans where mortgage insurance is required.

### Q: How much does HomeOpeners cost?

A: CalHFA provides HomeOpeners at no additional cost to the borrower.

#### Q: Is HomeOpeners available on existing loans?

A: HomeOpeners is available only on new loans closed on or after April 1, 2005.

#### Q: When does HomeOpeners coverage begin?

A: Coverage begins on the date the loan closes (effective date). If a borrower becomes unemployed during the "Vesting Period" (60 days from effective date), benefits are not payable for that job loss occurrence, although the coverage remains in effect for a future unemployment event. The waiting period is the first 30 days after unemployment. Borrowers are not eligible to receive benefits unless they are still unemployed at the end of those 30 days and are eligible for California EDD benefits.

#### Q: How long does HomeOpeners coverage last?

A: Five years, provided CalHFA mortgage insurance coverage remains in effect.

#### Q: How much is the monthly HomeOpeners benefit?

A: The lesser of the actual monthly mortgage payment (including principal, interest, taxes and insurance) or a maximum of \$2,500 per month.

<sup>\*</sup>HomeOpeners<sup>®</sup> is a registered trademark of Genworth Mortgage Holdings, LLC.

### Q: How long will benefits be paid?

A: The benefit covers a maximum of six monthly mortgage payments during the life of the coverage.

# Q: Who is covered by HomeOpeners<sup>®\*</sup>?

A: The borrower and co-borrower, if applicable. If one co-borrower becomes unemployed, coverage is prorated between borrower and co-borrower. An amount proportionate to the unemployed borrower's percentage of the total income immediately prior to the job loss would be paid.

## Q: What types of unemployment events are covered?

A: Unemployment events covered by California EDD unemployment benefits are eligible. Some unemployment events will not be covered, for example:

- Seasonal employment
- Temporary employment
- Voluntary unemployment
- Self employment

## Q: When is HomeOpeners coverage terminated?

A: Benefits end for many reasons, for example, when:

- o Six monthly payments have been made under a borrower's claim;
- A false claim has been discovered;
- The home is refinanced or sold;
- o Title is transferred:
- o Sixty (60) months have passed from loan closing date; and
- o Mortgage insurance is canceled.

### Q: Does HomeOpeners cover a second mortgage?

A: It only covers the first mortgage.

#### Q: How is CalHFA paying for this added homebuyer protection?

A: Through an arrangement with CalHFA, Genworth Mortgage Insurance pays the cost of the coverage.

#### Q: What does the borrower do if he/she has a claim?

A: Notification regarding qualification for the HomeOpeners, a Mortgage Protection Program, as well as a summary of protection will be provided to the borrower by Virginia Surety Company, Inc. after the loan is closed and eligibility for the HomeOpeners program is verified. Upon review of the material, if the borrower believes he/she qualifies, he/she can contact the insurer's Benefit Administrator, cynoSure Financial; toll free at (800) 344-3042.

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